

CITY OF EDMONDS

ECONOMIC DEVELOPMENT COMMISSION

June 24, 2010

The Citizens Economic Development Committee meeting was called to order at 6:00 p.m. by Chair Frank Yamamoto in the Brackett Room, 121 5th Avenue North, Edmonds.

COMMISSIONERS PRESENT

Bruce Faires
Stacy Gardea
Don Hall
Darrol Haug
Betty Larman
Mary Monfort
David Schaefer
Rich Senderoff
Bruce Witenberg
Frank Yamamoto
Marianne Zagorski

COMMISSIONERS ABSENT

Beatrice O'Rourke
Evan Pierce
Kerry St. Clair Ayers
Rebecca Wolfe
Bill Vance
Rob VanTassell

PLANNING BOARD LIAISON

Kristiana Johnson

ELECTED OFFICIALS PRESENT

Mayor Gary Haakenson
Councilmember Diane Buckshnis

STAFF PRESENT

Stephen Clifton, Community Services/Economic
Development Director
Cindi Cruz, Executive Assistant
Rob Chave, Planning Manager
Frances Chapin, Cultural Services Manager
Jeannie Dines, Recorder

PUBLIC PRESENT

Ron Wambolt
Tony Shapiro

1. **INTRODUCTION AND COMMENTS BY CHAIR – NONE**
2. **COMMENTS FROM MAYOR GARY HAAKENSEN**

Mayor Haakenson thanked the Economic Development Commission for their hard work, commenting on the value that volunteers provide the City. He pointed out many positive things are happening in Edmonds such as the film festival, a brewery, and the article in Sunset Magazine, much of it due to the EDC impetus and Mr. Clifton's efforts. He recalled one of the EDC's recommendations was a dedicated Economic Development Director. Mr. Clifton and he have been working on that and recently completed the application and interview process for a Development Services Director. Filling that position will allow Mr. Clifton to focus on economic development. He urged the EDC to encourage the Council to hire a Development Services Director. A new Public Works Director has been hired and will begin work next week; he is well qualified and very knowledgeable. Mayor Haakenson invited questions from Commissioners:

Commissioner Faires pointed out this group will sunset at the end of the year. The EDC has made good progress and would like to continue. Mayor Haakenson recommended asking the Council to extend the group for another year. If the Council chose not to, Mr. Clifton could form an EDC; this group could remain a commission for as

long as it wanted, it was not required to be chartered by the City Council. Commissioner Faires commented the legitimacy of the commission was due in part of the Council's charter. Mayor Haakenson urged the Commission to ask the Council in the near future to continue the commission and not wait until the end of the year. Councilmember Buckshnis added that some Councilmembers want to hire consultants to do what EDC doing.

Commissioner Zagorski expressed concern that the EDC was not communicating on a regular basis with the City Council. Mayor Haakenson suggested once a month the Chair provide the Council an update. Chair Yamamoto commented on discussions at the focus group meeting regarding ways to communicate with the public such as an article in the *Edmonds Beacon* regarding the work being done by the EDC's sub groups. Mayor Haakenson agreed any opportunity to educate the public regarding the EDC was positive, particularly if it was televised.

Commissioner Senderoff inquired about the brewery Mayor Haakenson mentioned. Mr. Clifton reported a representative of a brewery meet with staff and him and later reported he had received the friendliest reception in Edmonds of any other city. Mr. Clifton was unable to provide further details as the brewery has not yet submitted any official paperwork but they have applied for a liquor license.

3. AMENDMENTS TO AGENDA – NONE

4. APPROVAL OF ECONOMIC DEVELOPMENT COMMISSION MINUTES OF MAY 19, 2010

COMMISSIONER LARMAN MOVED TO APPROVE THE MINUTES OF MAY 19, 2010. COMMISSIONER FAIRES SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

5. REPORT FROM SUBGROUPS

a. Land Use

Planning Manager Rob Chave reported the subgroup received a favorable response from the University of Washington regarding establishing a team of students/instructors to conduct a study of Five Corners/Westgate. The instructors have experience with green infrastructure, public space planning, urban design, land use, etc. They also may be able to involve real estate students to assist with market research. Preliminary discussions indicate they would start on the background work this fall, begin a public process the first quarter of 2011 and develop zoning and design guideline regulations April/May. Staff and the subgroup plan to meet with them to discuss further details including the cost; Mr. Chave noted the cost will be a fraction of the fee charged by a consultant. The UW students' work is very high quality and will add credibility to the process. He anticipated the land use subgroup, a Planning Board representative and Cascade Land Conservancy would also be involved in the study.

Mr. Chave explained one of the remaining questions is conduct the market research; there are a number of options including involving UW students, hiring a consultant or seeking a professional opinion from someone in the field using the parameters and design ideas that are assembled. He sought direction from the Commission regarding which approach they preferred.

Commissioner Faires offered the market analysis the Port did approximately three years ago. Mr. Chave envisioned a combination of university students to do background work on a market study along with hiring an economic consultant to provide advice. He suggested the Commission ask the Council to hire a consultant to do a market study, acknowledging it may be too expensive. Commissioner Faires recalled the cost of the scoping done by LMN for the Port was \$10,000-\$15,000. Mr. Chave commented on the importance of a market study to provide a reality check.

Commissioner Senderoff observed the intent was to utilize a form-based zoning approach. He asked Mr. Chave to describe form based code. Mr. Chave explained it was a different approach to traditional zoning, oriented

toward design-based development standards rather than traditional zoning that is use-based. Form based code focuses on what a development looks like, how it fits into the neighborhood and there is less concern with separating uses. Commissioner Senderoff commented traditional zoning is based on what a developer cannot do; the approach to form based zoning is what does a developer want to do and how can it fit within an area.

Mr. Chave advised a detailed outline of the project, who would be involved, the cost, etc. would be available by the EDC's next meeting. The EDC would then need to approach the City Council for funding. A key component of the cost will be the scope of a marketing study.

Commissioner Senderoff commented students also bring energy to a process. Mr. Clifton relayed he has also had discussions with former Economic Development Director Jennifer Gerend about involving her Evergreen University students with a study of Hwy. 99.

Councilmember Buckshnis reported at a recent Town Hall meeting in Five Corners, people were interested in improving the appearance of the area, pedestrian safety, signage, a roundabout, and bicycle paths and signage; they did not care about building heights. Planning Board Vice Chair Phil Lovell recently provided a report at the Port meeting regarding the involvement of UW students in the Port's process. Mr. Chave commented the UW have been leaders in form based zoning and have a great deal of expertise.

Commissioner Faires inquired whether the study would include both Five Corners and Westgate. Mr. Chave answered it would include both. He explained the danger of conducting a study for one area was tailoring it to that area and it not being transferable to another area. The goal is to create a process template that can be used for other areas. The advantage of involving the neighborhood in the process is that there is less opposition to future development.

Commissioner Senderoff asked whether area businesses could support/contribute financially to the process. Mr. Chave explained the risk would be that they would taint the process. Businesses are encouraged to participate in the process, for example PCC has experience with green development and it would be beneficial to have them involved.

Chair Yamamoto commented once the plans are in place, it will be imperative get the word out to developers that the City is open to development. Mr. Chave pointed out the importance of involving developers in the process.

b. Strategic Planning and Visioning

Commissioner Senderoff relayed Mr. Clifton's research found the potential cost for developing a strategic plan ranged from \$60,000 to \$150,000. The subgroup discussed how to develop the document, why a strategic plan/visioning project was important, what it would look like and how to proceed. Commissioners Zagorski and Witenberg developed a description of why and he develop a description of what a plan would look like; draft documents were sent to Commissioners for their input. He anticipated a final draft would be available within next 1-2 weeks. Mr. Clifton explained the goal is provide a report and recommendation to the EDC so that the EDC could vote on forwarding a recommendation to the City Council. Although the Council expressed their support for a Strategic Plan via approving the EDC's resolution, there was no request for funding.

Commissioner Witenberg commented on the importance of community buy-in and developing a plan for the entire City that incorporates various plans (Comprehensive Plan, Parks Plan, Cultural Services Plan, the Five Corners/Westgate study, etc.) as well as identifies methods to measure progress. The intent is not for the Strategic Plan to be shelved but to be periodically reviewed and updated.

Discussion followed regarding the formation of a strategic planning work group as part of the Strategic Plan who would review the consultant's work and provide periodic updates to the EDC, components of a Strategic Plan, performance measures in the Plan, and a Strategic Plan providing a roadmap for the future

Councilmember Buckshnis asked whether Edmonds was too small to use Portland's template. Mr. Clifton answered the City could ask as part of the RFQ that consultants look at plans such as Vancouver, Edmonton, Beaverton, Portland. Councilmember Buckshnis urged the EDC to communicate with the City Council regarding their desire to conduct a Strategic Plan. Mr. Clifton commented that as the EDC subgroups prepare to make proposals to the City Council, the EDC will need to prioritize which ones to pursue.

Planning Board Member Kristina Johnson suggested referencing the Comprehensive Plan and the adopted TIP/CIP in the description of the Strategic Plan. Commissioner Senderoff suggested after the presentation to the EDC and prior to the presentation to the City Council, the subgroup make a presentation to Planning Board. Board Member Johnson agreed.

c. Technology

Commissioner Haug explained this subcommittee was somewhat different in that they are not describing a process; they are sitting on bucket of money and trying to determine how to open and use it. He explained the court has allowed the City to utilize its excess capacity. Commissioner St. Clair-Ayer has developed and circulated components of a business plan. The subgroup has gathered information regarding past costs, current revenue and potential future revenues but have not completed that effort. The key to moving forward is developing a business plan.

The subgroup is working with the Citizens Technology Advisory Committee (CTAC). Commissioner Faires met with Mr. Clifton and Mayor Haakenson to describe the desire to move forward with a business plan. Mayor Haakenson has agreed to meet again next Tuesday to discuss development of a business plan. CTAC and the subgroup agreed it was important to develop the history of broadband in the City in an effort to educate the public, counter objections to past expenditures and to conduct a solid assessment of where we are and where we going next. He read the executive summary section of a history of the current broadband initiative.

Commissioner Faires explained the subgroup discussed business planning, recognizing that any business and particularly a public enterprise, needs a business plan. This is an entrepreneurial opportunity rather than a stable business. The business plan is separated into two phases; the final analysis needs to include a stable business plan that outlines responsibilities, etc. In the near term, the City needs to learn how to do this business. Phase 1 of the business plan will be to identify good sized, competent and friendly entities that have a competent IT department that could be used as test. The intent is to find 1-5 customers to start with and establish a track record in order to develop a final business plan. Mr. Clifton summarized the City does not want to miss targets of opportunity while waiting for a business plan to be created.

Discussion followed regarding potential economic benefit to the City via revenue from fiber optics as well as the opportunity to attract green businesses, existing public customers and plans to seek private businesses now that the court has ruled that the City has the ability to sell excess capacity, and Stevens Hospital/Swedish as a potential longer term target,

d. Tourism

Chair Yamamoto commented tourism is an important element in all the subgroups' efforts and helps provide revenue for the City. Tourism can include a lot of things such as neighborhood block parties as well as events and TV, newspaper, magazine ads that showcase the City. He commented on the importance of marketing to draw people to Edmonds to shop and go to restaurants, noting the more restaurants there are, the more people will visit and visa versa. He commented on the need for a hotel in Edmonds, however, hotel developers want more visitors to support a hotel. The City needs more events that attract people for overnight stays such as sport

tournaments. He noted 3-on-3 basketball is a great opportunity that requires no infrastructure. Events such as the Taste of Edmonds, the Waterfront Festival, and the Arts Festival attract visitors; however, they do not directly benefit businesses other than the possibility that people who come to an event will return in the future.

Chair Yamamoto explained attracting tournaments to Edmonds would require investment in fields, turf, etc. Councilmember Buckshnis suggested the tourism subgroup make a presentation to the levy committee who will be considering funding of capital investments. Chair Yamamoto summarized tournaments would provide an immediate return on investment and attract other businesses such as hotels.

Commissioner Hall commented on the need for tourism infrastructure such as a hotel, better signage, public restrooms, drinking fountains, trash cans. There needs to be expenditures on basic needs to keep tourists in the City after advertisements, events, etc. attract them.

Commissioner Senderoff commented people attending tournaments have a lot of down time. He suggested starting with small tournament and learning from it. A brief discussion followed regarding the potential for a marathon in the City.

Mr. Clifton reported on the following:

- Requested Commissioners review and provide comments on the recently updated www.visitedmonds.com website.
- Commissioners were sent an audio file of the ad being aired on KPLU.
- The recent Sunset Magazine article was in response to Ms. Cruz's and his request to highlight the Edmonds community. He explained the article's author determines stores that are highlighted; staff cannot recommend a specific business.
- A 4-day Edmonds Film Festival International (EFFI) will be held in August. A website will be prepared and surveys conducted to gather input regarding the festival. The event was previously an 8-day festival in Sandpoint, Idaho. This will be their first year in Edmonds; the intent is to increase it to as big or bigger than the Sandpoint, Idaho event.
- Edmonds was recently highlighted in Northwestern Magazine.
- Radisson Hotels is interested in expanding nationally. He provided the representative several potential sites as well as put her in contact with the Canadian developer interested in constructing an across-the-platform hotel.

Commissioner Zagorski inquired how the City could support another hotel when B&Bs were closing and the Best Western has excess capacity. Mr. Clifton explained conferences organizers want a variety of choices. Having another hotel in the community would help attract smaller conferences that may not choose Edmonds because there is only one lodging option.

Ms. Chapin commented the Port has done a great job promoting Edmonds as destination. Commissioner Faires commented that effort has been ongoing for five years; promotions need to have a consistent effort rather than a short-term life. Ms. Chapin agreed, citing the Writers Conference as an example; after 25 years that event is attracting people nationally.

Ms. Chapin agreed with the importance of amenities that make the community comfortable for tourists and improve the on-street experience. Amenities such as wayfinding signage, restrooms, ADA accessibility, bicycle racks, benches, etc. have been emphasized in the Streetscape Plan, but funding has been an issue. A strategic planning process would assist with identifying priorities.

Chair Yamamoto continued his report on the tourism subgroup, reporting on a discussion he, as the President of DEMA, had with a building owner downtown. The building owner was about to put a service business in across the street from his store at 4th & Main. The building owner was open to DEMA's suggestions and is now talking

with a prospective retailer interested in opening a boutique. The building owner also plans to discuss with his leasing agent the vision for downtown of restaurants, retailers, art galleries, and other uses that bring activity to downtown.

Chair Yamamoto reported DEMA is also working on a Business Improvement District (BID) in the downtown core. The BID is a self-tax that would provide funds for joint marketing, signage, etc. that are now funded by approximately 20% of the businesses downtown.

6. FUTURE AGENDA TOPICS

Mr. Clifton reported Dan Dixon, Swedish Medical Center, and Mike Carter, Stevens Hospital, plan to attend the EDC's July meeting. They will also make a presentation to the City Council on August 3. The objective of the meeting with the EDC is an informal conversation regarding opportunities associated the Swedish/Stevens Hospital affiliation and the medical activity center around Stevens Hospital. The City Council, the Port, and the Planning Board have been invited to attend the EDC's meeting.

Commissioner Faires requested the agenda also include discussion regarding the request to the City Council to extend the EDC.

7. MISCELLANEOUS

Mr. Clifton reported Sound Transit has identified a contractor and will issue a notice to proceed in early July for the Edmonds commuter rail station.

Planning Board Member Kristiana reported the last Planning Board meeting included three public hearings and recommendations to City Council:

1. Storm and Surface water Comprehensive Plan – The Planning Board suggested doing project 2A (100 year floodplain analysis) as soon as possible to facilitate planning and development of the waterfront.
2. The Planning Board recommended an increase in the maximum number of allowed signs from 1 to 3 excluding window signs. The sign code will still apply to overall coverage but will allow individual tenants in larger buildings to have more signage.
3. The State recently gave cities the opportunity to establish flexible SEPA thresholds. The Planning Board recommended simplifying the SEPA process for the Medical/Hwy. 99 Activity Center and the Hwy. 99 Corridor to send the message that the City wants to encourage development in those areas. The Planning Board also recommended raising threshold for residential structures from 4 units to 20, from 4,000 square feet to 12,000 for new construction, and parking lots from 20 to 40 spaces.

Councilmember Buckshtnis reported WRIA 8 likely will move the day lighting of Willow Creek and Edmonds Marsh clean up projects from their 10 year plan to their 3 year plan.

8. AUDIENCE COMMENTS – None

9. ADJOURN

With no further business, the meeting was adjourned at 7:58 p.m.